



PRESS NOTICE

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FOR IMMEDIATE RELEASE

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Man Sentenced in Rock Hill Mortgage Fraud Case

Columbia, South Carolina ---- United States Attorney Bill Nettles stated that Samuel Caleb Cowles, age 27, of Kannapolis, North Carolina, was sentenced to fifteen months in prison today for participating in a Conspiracy to Commit Money Laundering, a violation of Title 18, United States Code, Section 1956(h). United States District Judge Joseph F. Anderson, Jr., of Columbia, presided.

Evidence presented at the change of plea hearing established that Cowles was a mortgage broker who owned and ran Prosperity Mortgage. He and a co-conspirator took pre-qualification documents from investors and used them to obtain loans for real estate purchases. Cowles falsified multiple loan applications by submitting to lenders that investment properties were going to be primary

residences, which reduced the down payments. Cowles affected loan decisions by inflating incomes, omitting liabilities on loan applications, and making payments outside closing. He received mortgage fees as a return on his activities. He was paid by lenders when loans were executed.

Cowles falsified approximately twenty loan applications, resulting in fraudulent loans totaling \$2,160,650. During the sentencing hearing, Cowles stated he made approximately \$60,000 in fees.

The case was investigated by agents of the United States Secret Service and the Internal Revenue Service. Assistant United States Attorney Winston D. Holliday, Jr., of the Columbia office prosecuted the case.

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